



# Appendix B: Regulatory Framework for Proposal to Broadly Approve CCC Programs for the Employment and Training Program Exemption

OCTOBER 29, 2020 – PETER GRANVILLE

# Appendix B: Regulatory Framework for Proposal to Broadly Approve CCC Programs for the Employment and Training Program Exemption

OCTOBER 29, 2020 – PETER GRANVILLE

The federal regulations on SNAP eligibility for college students are complex and restrictive, but states have some discretion when implementing the program. This appendix explores whether the federal regulations allow for the interpretation that enrollment in a degree or certificate program at a California community college generally qualifies a student for exemption from the student rule.

7 CFR §273.5(a) states that “An individual who is enrolled at least half-time in an institution of higher education shall be ineligible to participate in SNAP unless the individual qualifies for one of the exemptions contained in paragraph (b) of this section.” This is generally referred to as the SNAP student rule.

§273.5(b) includes eleven subparagraphs, each of which offers exemptions to the student rule. Subparagraph (b)(11) provides an exemption for those who are “assigned to or placed in an institution of higher education through or in compliance with the requirements of one of the programs identified in paragraphs (b)(11)(i) through (b)(11)(iv) of this section.” Subparagraphs (b)(11)(i) through (b)(11)(iii) exempt students enrolled in WIOA,<sup>1</sup> career and technical

education (CTE) and certain types of developmental education,<sup>2</sup> and Trade Adjustment Assistance.<sup>3</sup>

Our focus in this analysis is subparagraph (b)(11)(iv), which offers an exemption for any:

*employment and training program for low-income households that is operated by a State or local government where one or more of the components of such program is at least equivalent to an acceptable SNAP employment and training program component as specified in §273.7(e)(1). Using the criteria in §273.7(e)(1), State agencies shall make the determinations as to whether or not the programs qualify.*

This establishes three requirements for an educational program at an institution of higher education in order for it to qualify for the exemption under §273.5(b)(11)(iv): (1) it must be operated by a state or local government, (2) it must be for low-income households, and (3) it must include a component that is at least equivalent to a SNAP E&T program.<sup>4</sup>

---

This report can be found online at: <https://tcf.org/content/report/pathways-simplify-expand-snap-access-california-college-students/>

This analysis examines whether California community college programs are eligible programs under §273.5(b)(11)(iv); this question hinges on the three requirements listed above. The first is met because California community colleges are public institutions governed by the systemwide Board of Governors, a state entity whose members are appointed by the governor. The second requirement is that the program be “for low-income households.”<sup>5</sup> As institutions the California community colleges have been organized around a commitment to access for low-income students: for example, the system had a universal policy of no tuition or fees from its founding until the 1980s and since then has provided waivers to low-income in-state students who request one.<sup>6</sup> This commitment is reflected in the demographics of enrollment: the median family income for an in-state CCC student was under \$30,000 in 2015–16.<sup>7</sup> While the CCCs do not turn away higher-income students, the CCC system is fundamentally designed to provide access to low-income students and, for hundreds of thousands of low-income students every year, it succeeds.<sup>8</sup> We can consider the second requirement satisfied.

The third requirement under (b)(11)(iv) is that a program include a component that is at least equivalent to a component of a SNAP E&T program, which is defined by §273.7(e)(1). This paragraph, §273.7(e)(1), begins by establishing that any qualifying component must demand at least a minimum level of effort, the equivalent of twenty-four hours of a job search. This requirement is certainly satisfied for any student enrolling in at least a half-time course load, which is the minimum course load that makes the student subject to the SNAP student rule.

Seven subparagraphs then follow, each listing and describing a qualifying component, such as job search training and workfare. This analysis focuses on subparagraph (e)(1)(vi), which identifies the following as a qualifying component:

*Educational programs or activities to improve basic skills or otherwise improve employability including educational programs determined by the State agency to expand the job search abilities or employability of those subject to the program.*

A certificate or degree program at a community college, therefore, would contain the component identified in (e)(1)(vi) so long as it improves the employability of those in the program. Two subparagraphs, (e)(1)(vi)(A) and (e)(1)(vi)(B), follow. Subparagraph (A) gives examples of programs that would meet this definition, including CTE and ESL programs, but this list is not exhaustive.<sup>9</sup> Subparagraph (B) then reads:

*Only educational components that directly enhance the employability of the participants are allowable. A direct link between the education and job-readiness must be established for a component to be approved.*

As described in the main report to which this appendix is attached, there is wide evidence that community colleges improve the employability of participants as measured by employment rates, and graduates of community college programs on average experience significant, lasting wage gains. We can consider the link described by subparagraph (e)(1)(vi)(B) to be established.

Here, it is important to be clear about the meaning of the term “component” as used by the federal regulations, because it can differ from the colloquial meaning of “component” as “a part or element of a larger whole.” While a discrete activity such as a job search training can be a component of a SNAP E&T program or a postsecondary academic program, §273.7(e)(1)(vi) demonstrates that an “educational program” itself can also be a component. The meaning of “component” in this context is important because §273.5(b)(11)(iv) states that the qualifying component for an approved program must be “at least equivalent to an acceptable SNAP employment and training program component.” It follows that, to meet the definition provided by §273.7(e)(1)(vi), a community college program must provide education “to improve basic skills or otherwise improve employability” in a way that is “at least equivalent” to a SNAP E&T program.

States and counties facilitate SNAP E&T programs with a wide array of designs: some prioritize work experience for participants, while others focus more on competencies that are typically taught in the classroom, such as English literacy.

The latter programs often contract with community colleges to provide program participants with education that develops specific skills needed for employment. Of the components listed in §273.7(e)(1), the component provided by this kind of SNAP E&T program is the component described by subparagraph (e)(1)(vi), “Educational programs or activities to improve basic skills or otherwise improve employability”.

Our question, then, is whether general enrollment in a community college certificate or degree program provides education “to improve basic skills or otherwise improve employability” in a way that is “at least equivalent” to this kind of SNAP E&T program. Both feature learning in the community college classroom, presumably by equivalent faculty with similar course materials. The major difference is that general enrollment in a community college certificate or degree program may last longer and involve more advanced coursework than education at a community college through SNAP E&T. It follows that the expectation of a postsecondary credential would generally be greater when the student is formally enrolled in a certificate or degree program.

To the author’s knowledge, there is no research rigorously comparing the employment outcomes of SNAP E&T programs involving community college courses versus the employment outcomes of community college certificate/degree programs without first enrolling in SNAP E&T. However, obtaining a postsecondary credential is generally associated with better employment outcomes than having some college experience and no credential. Further, there is no clear reason to expect that enrollment in a community college certificate or degree program would do a worse job at improving employability than a SNAP E&T program that features education at a community college.

For these reasons, we can reasonably conclude that enrollment in a community college certificate or degree program provides education “to improve basic skills or otherwise improve employability” in a way that is “at least equivalent” to a SNAP E&T program, thus qualifying as an exemption under §273.5(b)(11)(iv).

## Notes

**1** Paragraph (b)(11)(i) refers to the Job Training Partnership Act of 1974, which has been reauthorized as the Workforce Innovation and Opportunity Act.

**2** Paragraph (b)(11)(ii) includes both CTE and a list of developmental education forms: remedial courses, basic adult education, literacy, and English as a second language.

**3** Paragraph (b)(11)(iii) refers to section 236 of the Trade Act of 1974, which

**4** It is not apparent from the regulatory language that the qualifying program must be equivalent to a SNAP E&T program in the same state, so this analysis will refer to “SNAP E&T programs,” even though a Californian would participate specifically in the CalFresh E&T program.

**5** In this interpretation, we assume that there is no meaningful difference between a program serving low-income households (per the language of §273.5(b)(11)(iv)) and serving low-income students.

**6** Kathryn Baron, “Fees for some summer, winter community college courses could triple under bill on governor’s desk,” Oakland, CA: EdSource, September 13, 2013, <https://edsources.org/2013/ab-955-college-fees/38854>

**7** According to data from the NPSAS 2015–16 undergraduate survey, the median income of in-state students (defined as parental income for dependent students, or the sum of the student’s own income plus spousal income for independent students) was \$28,469 at the CCCs, compared to \$34,791 for public university students and \$39,696 for private nonprofit institutions.

**8** To be sure, there is more that the state of California could do to promote low-income students’ access to the CCCs, such as by expanding the non-tuition component of the Cal Grant and expanding program eligibility.

**9** “(A) Allowable educational programs or activities may include, but are not limited to, courses or programs of study that are part of a program of career and technical education (as defined in section 3 of the Carl D. Perkins Act of 2006), high school or equivalent educational programs, remedial education programs to achieve a basic literacy level, and instructional programs in English as a second language.”

**10** “Skills-based SNAP E&T” is one term used to describe these programs. Brooke DeRenzis, “Skills-Based SNAP Employment and Training Policy Toolkit,” Washington, D.C.: National Skills Coalition, October 2016, <https://www.nationalskillscoalition.org/resources/publications/file/SNAP-ET-Policy-Toolkit-1.pdf>

**11** According to data compiled by the Bureau of Labor Statistics, in 2019 members of the workforce (aged 25 and older) with an associate’s degree had a 2.7 percent unemployment rate; workers with some college but not degree had a 3.3 percent unemployment rate; and workers with only a high school diploma had a 3.7 percent unemployment rate. Wages saw a similar relationship to attainment. Unfortunately, major data sources on employment such as the Current Population Survey do not include non-degree post-secondary awards as an education attainment level; graduates of these programs who do not pursue further education are counted as “some college, no degree.” However, data on occupations’ entry-level education requirements show that occupations requiring at minimum a non-degree post-secondary award have median annual wages that are on average about \$1,500 greater than the median annual wages of occupations requiring at minimum a high school diploma.